

2000 Vehicle Refueling Apparatus Credit

Arizona Form 327

NOTE: *There may be a compliance audit when the department processes this credit form. This will cause a longer than normal processing time for your return.*

Phone Numbers

If you have questions, please call one of the following help numbers:

Phoenix	(602) 255-3381
Nationwide, toll-free	(800) 352-4090
Form orders	(602) 542-4260
Forms by Fax	(602) 542-3756
Recorded Tax Information	
Phoenix	(602) 542-1991
Other Arizona areas, toll-free	(800) 845-8192
Hearing impaired TDD user	
Phoenix	(602) 542-4021
Other Arizona areas, toll-free	(800) 397-0256

You may also visit our web site at:

www.revenue.state.az.us

Credit Provisions

Arizona law allows a credit for purchasing a vehicle refueling apparatus, including storage tanks. The taxpayer must purchase the refueling apparatus for installation on property in Arizona and the apparatus must be for the taxpayer's use. For taxable years beginning from and after December 31, 1999, the credit is equal to the cost of the apparatus.

For the purpose of this credit, a vehicle refueling apparatus is one of the following.

1. A maximum 10 to 15 standard cubic feet per minute natural gas compression appliance used for slow fill, on site refueling.
2. Equipment necessary to provide an electric charge for an electric vehicle, excluding wall sockets and extension cords.
3. Tanks used to store liquefied petroleum gas.

Arizona law also allows a credit to each taxpayer that installs any infrastructure necessary for the operation of a vehicle refueling apparatus purchased for installation on one or more of the taxpayer's properties located in Arizona. An infrastructure includes a gas or electric infrastructure from the closest main or transformer but not more than 100 feet. The amount of the credit for the installation of infrastructure is the cost of the installation of the infrastructure.

Eligibility Requirements

Eligibility Requirements for the Credit for Purchase of a Vehicle Refueling Apparatus

To be eligible for a tax credit, all of the following must apply:

- You must have placed the order to purchase the vehicle

refueling apparatus before October 20, 2000. Purchases made, orders placed, or contracts entered into after October 19, 2000 are not eligible for a tax credit.

- You must have paid in full for the vehicle refueling apparatus before November 9, 2000, **OR** the vehicle apparatus must have been installed by December 31, 2000.
- You must have filed Arizona Form *Notice of Intent to Claim Alternative Fuel Tax Credit or Opt Out*, to the Office of Alternative Fuel Recovery/Department of Revenue by January 2, 2001. If you filed this form by mail, your form must have been postmarked by January 2, 2001.

Eligibility Requirements for the Credit for Installation of an Infrastructure Necessary for Operation of a Refueling Apparatus.

To be eligible for a tax credit, all of the following must apply:

- You must have placed the order to purchase or contracted for the installation of the infrastructure before October 20, 2000. Purchases made, orders placed, or contracts entered into after October 19, 2000 are not eligible for a tax credit.
- You must have purchased the vehicle refueling apparatus for which the infrastructure is installed by October 19, 2000.
- You must have filed Arizona Form *Notice of Intent to Claim Alternative Fuel Tax Credit or Opt Out*, to the Office of Alternative Fuel Recovery/Department of Revenue by January 2, 2001. If you filed this form by mail, your form must have been postmarked by January 2, 2001.

Attachments

When you claim a credit on Form 327, you should attach appropriate documentation to your claim. In the case of an apparatus, your documentation should show the type of apparatus, when you entered into the purchase order/agreement, the cost of the apparatus, when you paid for the apparatus, when the apparatus was installed.

In the case of an infrastructure, your documentation should show when you entered into the purchase order/agreement, the cost of the infrastructure, when the infrastructure was installed and when the apparatus for which the infrastructure was installed was purchased.

The department may also ask for additional documentation upon audit.

Use of This Form

Use this form to do the following.

- Figure your credit for purchasing qualifying refueling apparatus.
- Figure your credit for installing an infrastructure necessary for the operation of a qualifying vehicle

refueling apparatus.

- Figure how much of a credit carryover you have available from the 1999 taxable year.

NOTE: *If you are eligible for a credit from more than one source (e.g., direct investment, flow-through from a partnership or S corporation), complete a separate Form 327 for each source.*

Line-by-Line Instructions

Enter the names and taxpayer identification numbers (TIN) as shown on Form 140, 140PY, 140NR, 140X, 120, 120A, 120S, 120X, or 165. Fiscal year basis taxpayers must indicate the period covered by the taxable year. Attach the completed form to the tax return.

All returns, statements, and other documents filed with the Department of Revenue require a taxpayer identification number (TIN). The TIN is either a correct social security number or, for a business, the federal identification number. Paid tax preparers must also include their TIN on forms where requested. Taxpayers and paid preparers who fail to include the preparer TIN may be subject to a penalty. Please check the return to be sure that all required identification numbers are accurate and written clearly. Missing, incorrect, or unclear identification numbers may cause delays in processing the returns.

Credit Intent Notice

Answer the question on this line. Check the box for the answer that applies to you.

To be eligible for a vehicle refueling apparatus credit, you must have filed State of Arizona Form *Notice of Intent to Claim Alternative Fuel Tax Credit or Opt Out Payment* to the Office of Alternative Fuel Recovery/Department of Revenue. You must have filed this form by January 2, 2001. If you mailed this form, your form must have been post marked by January 2, 2001. You may also have used a private delivery service designated by the IRS to meet the "timely mailing as timely filed rule".

If you were unable to file the intent notice by the January 2, 2001 deadline, but feel that you are entitled to the credit, you may file Form 327 with an explanation of why you did not file the intent form by the deadline. If the department disallows your credit, you will be billed for any tax, penalty and interest that results from that disallowance. To avoid penalty and interest charges, you can file your original return without claiming the credit, then file an amended return to claim the credit.

Part I – Credit for Purchase of Refueling Apparatus

Lines 1 through 6 -

Use lines 1 through 6 to figure your credit for purchasing refueling apparatus.

Line 1 -

Enter the number of vehicle refueling apparatus purchased during the taxable year, for installation on property located in Arizona, that was purchased for the taxpayer's use. If you are taking a credit for more than three apparatus, complete additional schedules.

Line 2 -

Enter the type of apparatus purchased during the taxable year. Enter whether the apparatus is a natural gas compression appliance used for slow fill refueling, or is equipment necessary to provide an electric charge for an electric vehicle, or tanks used to store liquefied petroleum gas.

Line 2a -

Enter the address at which each apparatus was installed. You may claim a credit for only one apparatus per property.

Line 2b -

Enter the date on which you entered into the purchase order agreement/contract to purchase the apparatus.

Line 2c -

Enter the date on which you paid in full for the apparatus.

Line 2d -

Enter the date on which the apparatus was installed.

Line 3 -

Enter the cost of each apparatus purchased during the taxable year. If the apparatus is a tank used to store liquefied petroleum gas, enter the cost of the tank only.

Line 4 -

Add the amounts on line 3 in each column. Enter the result.

Line 5 -

If you completed additional schedules because you are taking a credit for more than three apparatus purchased during the taxable year, enter the aggregate line 4 totals from your additional schedules.

Line 6 -

Add lines 4 and 5. Enter the total.

Part II – Credit for Installation of an Infrastructure Necessary for Operation of a Refueling Apparatus

Lines 7 through 12 -

Use lines 7 through 12 to figure your credit for installing an infrastructure necessary for operation of a refueling apparatus.

Line 7 -

Enter the number of properties located in Arizona for which you installed a qualifying infrastructure. If you are taking a credit for infrastructures installed for more than three properties, complete additional schedules.

Line 8 -

Enter the type of infrastructure installed during the taxable year. Enter whether the infrastructure was necessary for the operation of a natural gas compression appliance used for slow fill refueling, or equipment necessary to provide an electric charge for an electric vehicle, or for tanks used to store liquefied petroleum gas.

Line 8a -

Enter the address for which each infrastructure was installed.

Line 8b -

Enter the date on which you entered into the purchase order agreement/contract for the installation of the infrastructure.

Line 8c -

Enter the date on which you purchased the apparatus for which the infrastructure was installed.

Line 9 -

Enter the installation cost of the infrastructure installed for each property located in Arizona. If the infrastructure is a gas or electric infrastructure, include the cost from the closest main or transformer, but not more than 100 feet.

Line 10 -

Add the amounts on line 9 in each column. Enter the result.

Line 11 -

If you completed additional schedules because you are taking a credit for more than three apparatus purchased during the taxable year, enter the aggregate line 10 totals from your additional schedules.

Line 12 -

Add lines 10 and 11. Enter the total.

Part III - Total Current Year's Credit**Line 13 -**

Add the amounts on Part I, line 6 and Part II, line 12. Enter the total.

Part IV – S Corporation Election and Shareholder's Share of Credit**Line 14 - S Corporation Credit Election**

All S corporations must complete line 14. The S corporation must make an irrevocable election to either claim the credit or pass the credit through to its shareholders. One of the officers of the S corporation who is also a signatory to the Arizona Form 120S must sign this election.

Lines 15 through 17 -

If the S corporation elects to pass the credit through to its shareholders, it must also complete lines 15 through 17.

An S corporation must complete the Form 327 through line 14. Then, complete lines 15 through 17 separately for each shareholder. Each shareholder may claim only a pro rata

share of the credit based on the shareholder's ownership interest in the S corporation. The S corporation must furnish each shareholder with a copy of the completed Form 327.

Each shareholder must complete lines 21 through 29.

Part V – Partner's Share of Credit**Lines 18 through 20 -**

A partnership must complete the Form 327 through line 13. Then, complete lines 18 through 20 separately for each partner. Each partner may claim only a pro rata share of the credit based on the partner's ownership interest in the partnership. The partnership must furnish each partner with a copy of the completed Form 327.

Each partner must complete lines 21 through 29.

Part VI –

Part VI has been removed due to recent legislation.

Part VII –

Part VII has been removed due to recent legislation.

Part VIII –

Part VIII has been removed due to recent legislation.

Part IX – Refund Election for Current Year's Credit – All Taxpayers Claiming the Credit**Lines 21 Through 26 -**

Line 21 has been removed due to recent legislation.

Line 22 -

If the allowable credit exceeds the income taxes due for the 2000 taxable year, you must make an irrevocable election to do one of the following:

- Have the amount of credit not applied to the 2000 taxable year taxes refunded in a lump sum.
- Have the amount of credit not applied to the 2000 taxable year taxes refunded in two annual installments.
- Have the amount of credit not applied to the 2000 taxable year taxes refunded in three annual installments.

If you elect to have the refund paid out in two or three annual installments, no interest will be paid on those amounts.

Check box 22a if you are electing a lump sum refund.

Check box 22b if you are electing the refund be paid in two annual installments.

Check box 22c if you are electing the refund be paid in three annual installments.

Amounts refunded under this program will be subject to federal and Arizona tax. The department will issue a statement to you and to the IRS indicating the amount

refunded to you. The statement issued to the IRS will include the total refund, regardless if choose a lump sum, 2 annual installments or 3 annual installments.

Line 23 -

Individuals and corporations, including S corporations that elected to take the credit, enter the amount from Part III, line 13. S corporation shareholders, enter the amount from Part IV, line 17. Partners of a partnership, enter the amount from Part V, line 20.

Line 24 -

Enter the tax from your 2000 income tax return, after subtracting any tax credits (except the vehicle refueling apparatus credit from Form 327) that you are claiming.

Line 25 -

Subtract line 24 from line 23.

Line 26 -

If the amount on line 24 is more than the credit being claimed on Form 327, enter the amount from line 23 here.

If you checked the box on line 22a, enter the amount from line 23 here. If you checked the box on line 22b, divide the amount on line 25 by 2 and add the result to the amount on line 24 and enter the total on line 26. If you checked box 22c, divide the amount on line 25 by 3 and add the result to the amount on line 24 and enter the total on line 26.

Individuals also enter this amount on Form 140, page 1, line 38, or Form 140PY, page 1, line 39, or Form 140NR, page 1, line 38, or Form 140X, page 1, line 38.

NOTE Individuals Only: *If you are married, and you and your spouse file separate returns, you may each take only one-half of the total credit that would otherwise be allowed on a joint return.*

Corporations also enter this amount on Form 120, page 1, line 25, or Form 120A, page 1, line 17, or Form 120X, page 1, line 25.

S corporations that are taking the credit also enter this amount on Form 120S, page 1, line 21.

1999 taxable year. In column (c), enter the amount of the credit from the 1999 taxable year that you have already used. Subtract the amount in column (c) from the amount in column (b) and enter the difference in column (d).

Corporations and S corporations that elect to take the credit also enter the amount on line 29 on Arizona Form 300, Part I, line 18.

Individuals, also enter the amount on line 29 on Arizona Form 301, Part I, line 21.

NOTE Individuals Only: *If you are married, and you and your spouse file separate returns, you may each take only one-half of the total credit that would otherwise be allowed on a joint return.*

Where Should I Mail My Return?

Attach this form to your Arizona income tax return, and mail your return to: Arizona Department of Revenue, PO Box 29206, Phoenix AZ 85038-9206. Do not mail your return to the address indicated on the tax return.

Part X –Available Carryover From Taxable Year 1999

Line 29 -

Use line 29 to figure your available credit carryover from taxable year 1999. Complete line 29 if you claimed the credit on your 1999 return and the credit was more than your tax.

In column (b), enter the credit originally computed for the